

Exhibit B

Declaration

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	
	§	Case No. 18-34658
HOUTEX BUILDERS, LLC <i>et al.</i> , ¹	§	
	§	(Chapter 11)
DEBTORS.	§	

DECLARATION OF LINDA A. SCHMUCK IN SUPPORT OF APPLICATION TO
EMPLOY SCHMUCK, SMITH, TEES & COMPANY, P.C. AS ACCOUNTANT TO THE
DEBTORS NUNC PRO TUNC TO PETITION DATE

I, Linda A. Schmuck declare under penalty of perjury as follows:

1. I am a principal at Schmuck, Smith, Tees & Company, P.C. ("SST"), an accounting firm based in Houston, Texas.

2. I make this declaration in support of the Debtors' application to employ SST as their accountant (the "Application"). Unless otherwise indicated, capitalized terms have the meanings ascribed to them in the Application. Except as otherwise noted, all facts set forth in this declaration are based upon my personal knowledge.

3. The Debtors seek to employ SST an accountant because the need a third-party accountant to perform the following services:

- a. Prepare the Debtors' monthly operating reports;
- b. Bookkeeping services;
- c. Prepare proposed debtor-in-possession financing budgets;
- d. Facilitate obtaining post-petition insurance;

¹ The names of the Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: HOUTEX Builders, LLC (2111); 2203 Looscan Lane, LLC (1418); and 415 Shadywood, LLC (7627).

- e. Facilitate with opening post-petition bank accounts;
- f. Forensic accounting and analysis, including tracing and analysis of transfers to and from the Debtors.
- g. Advise on tax issues and prepare any necessary tax documents
- h. Confirm closing statements for the real estate closings

4. I am a skilled professional with years of experience with accounting issues. Upon graduation, I joined Touche Ross & Co. After leaving Touche Ross, I worked in the accounting industry until 1994, when I formed a sole proprietor accounting firm. That firm later became SST.

5. SST's standard hourly rates are \$250-\$200 per hour for partners; \$175 to \$125 for CPA's and \$100 to \$75 for administrative staff and bookkeepers.

6. I believe SST's rate structure is reasonable and consistent with the rates charged by professionals with comparable experience.

7. I conducted a conflict check predicated upon a list including the Debtors, known creditors of the Debtors, and other known parties-in-interest set forth on **Exhibit 1** attached hereto.

8. As discussed in the Application, SST has served as Charles Foster's personal account both before and after the Petition Date.

9. Based on the conflict check, SST: (i) does not have any connection with the Debtor, its creditors, its equity holders, or other parties-in-interest, or their respective attorneys or accountants, the U.S. Trustee, or any person employed in the office of the U.S. Trustee in any matter related to the Debtor and its estate, except for its connection to Charles Foster; (ii) does not hold any interest adverse to the Debtors' estates; and (iii) believes that it is a "disinterested person" as that term is defined in § 101(14) of the Bankruptcy Code, and as required by § 327(a) of the Bankruptcy Code.

10. If any new material facts or relationships are discovered or arise, SST will promptly inform the Court as required by Bankruptcy Rule 2014(a).

11. SST intends to apply to the Court for allowance of compensation and reimbursement of expenses in accordance with the applicable provisions of the Bankruptcy Code, including but not limited to §§ 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the guidelines established by the U.S. Trustee, and any orders of this Court in these Chapter 7 Cases, for all services performed and expenses incurred during its representation of the Trustee.

12. SST does not have any agreement or understanding with any other entity for the sharing of compensation received or to be received for services rendered to the Debtors in this case.

13. SST will separately bill the Debtors for services it provides and ensure that it does not bill the Debtors for any services provided to Foster.

14. I believe that SST is eligible for employment and retention by the Debtors pursuant to the Bankruptcy Code and the applicable Bankruptcy Rules.

I declare under penalty of perjury under the laws of the State of Texas that the foregoing is true and correct and that this Declaration was executed at Houston, Texas, on November 19, 2018.



Linda A. Schmuck

Exhibit 1

Parties-in-Interest List

Debtors

HouTex Builder, LLC
415 Shadywood, LLC
2203 Looscan Lane, LLC

Creditors

Aldrete's Masonry LLC
Alpine Cut Stone
BMC
Brothers II Concrete LLC
Chase Drywall
Communitybank of Texas, N.A.
EFH Consulting Engineers, Inc.
Esmeralda Painting, Inc.
Forja Designs, LLC
Gainsborough Waste
Hmaidan & Hmaidan, LLC
High Performance Home Companies
L. Hernandez Construction, Inc.
Marchal/Stevenson Elevator Co., Inc.
Matt's Seamless Gutter Service
Medina's Plumbing
Kyle L. Dickson
Pedco Roofing, Inc.
Premier Technology Group
Pr-Surv
River Oaks Property Owners, Inc.
Scholl Lumber
SE Construction Inc.
Tax Assessor – Collector
Texas Outhouse
Carlton Woods Creekside Association
Great Southwest Finance Group
Colin Magee
Harris Montgomery Counties MUD
Spirit of Texas Bank
Tanglewood Homes Association
The Woodlands Township
Tomball ISD
Circa Lighting
Elegant Additions
Exterior Creations
Ferguson Enterprises
Grant Stone LLC
Houston Custom Floor
Independent Bank
Noel's Iron Works, LLC

Jim D. Nored
Pensco Trust Company, LLC
South Texas Brick & Stone, LLC
TP Glass
Wishbone Welding, LLC
Harold "Hap" May
Harold May
Pedco Roofing, Inc.
Ted A. Cox

Other Parties-in-Interest

Robert Parker
Brad Smith
CD Homes
Bruce J. Ruzinsky
Linebarger Goggan Blair & Sampson, LLC

U.S. Trustee:

Henry G. Hobbs

Employees of the U.S. Trustee's Office:

Diane Livingstone
Jacqueline Boykin
Hector Duran
Barbara Griffin
Luci Johnson-Davis
Christine March
Linda Motton
Glenn Otto
Patricia Schmidt
Gwen Statham
Stephen Statham
Clarissa Waston